

**Illinois Department of Revenue
Regulations**

Title 86 Part 130 Section 130.1920 Barbers and Beauty Shop Operators

**TITLE 86: REVENUE
PART 130
RETAILERS' OCCUPATION TAX**

Section 130.1920 Barbers and Beauty Shop Operators

a) When Liable For Tax

When barbers or beauty shop operators sell tangible personal property to purchasers for use or consumption apart from their rendering of service as barbers or beauty shop operators, they incur Retailers' Occupation Tax liability. This is the case, for example, where barbers or beauty shop operators sell package cosmetics, hair tonics, lotions or other merchandise "over-the-counter" to purchasers for use or consumption apart from their rendering of service.

b) When Not Liable For Tax

Barbers and beauty shop operators are engaged primarily in service occupation. To the extent to which they engage in such service occupations, they are not engaged in the business of selling tangible personal property to purchasers for use or consumption within the meaning of the Act. Consequently, they are not required to remit Retailers' Occupation Tax measured by their receipts from engaging in such service occupations, including receipts from both labor and tangible personal property.

c) Liability Under the Service Occupation Tax Act

For information concerning the application of the Service Occupation Tax to purchases by barbers and beauty shop operators of tangible personal property which they retransfer as an incident to rendering service, see the Service Occupation Tax, 86 Ill. Adm. Code 140.

(Source: Amended at 15 Ill. Reg. 6621, effective April 17, 1991)